This record is a partial extract of the original cable. The full text of the original cable is not available.

C O N F I D E N T I A L SECTION 01 OF 02 KATHMANDU 002165

SIPDIS

STATE FOR EB/ESC/TFS (GLASS), S/CT FOR NAVRATIL, SA FOR DON
CAMP, SA/INS FOR DGOOD AND GBAYER, INL FOR JWHITAKER
LONDON FOR PGUERNEY
TREASURY FOR OFAC (NEWCOMB) AND EXECUTIVE OFFICE FOR
TERRORIST FINANCING AND FINANCIAL CRIMES
NSC FOR EMILLARD

E.O. 12958: DECL: 11/03/2013
TAGS: PTER EFIN KVPR NP
SUBJECT: NEPAL: MAOIST RESPONSE TO U.S. TERRORISM
DESIGNATION

REF: A. A) STATE 305118
     ¶B. B) KATHMANDU 2048
     ¶C. C) KATHMANDU 2096
     ¶D. D) KATHMANDU 2163

Classified By: CHARGE D'AFFAIRES, A.I. ROBERT K. BOGGS BASED UPON REASO
NS 1.5 (B) AND (D)

¶1. (U) Nepal's Maoists, in response to the U.S. designation
of them as terrorists on the assets freeze list (ref A), have
posted a statement on the Nepali version of their website
blasting the designation as an example of U.S. interference
in the internal affairs of Nepal and its neighbors. The
Maoists' 2 November statement advances a range of
explanations for the U.S. designation, including the
contention that the U.S. wants to establish a military base
in Nepal. In addition, the statement claims that the U.S.
action comes at a time when European donors, the United
Nations and the Maoists are actively working for a peaceful
solution. In a separate internet interview, Maoist supremo
Prachanda claimed that the Maoists are in "constant contact"
with UN Secretary General Kofi Annan regarding possible UN
mediation in the peace process.

¶2. (U) The Maoist statement further describes the U.S.
designation as "ridiculous," especially in light of the
Maoist announcement on 21 October of a shift toward a less
aggressive policy (ref B). The statement claims that the
U.S. made the designation only after the Maoist Politburo
decision to reduce terrorist activities.

¶3. (U) Excerpts from the 2 November statement include:
-- "...the Maoists have time and again repeated that at the
moment it does not have a policy to go against any foreign
power including America."
--"...now when the Maoists have decided to stop such
activities, which they (the U.S.) term as terrorist, it (the
U.S.) has enlisted them as terrorists."
--"...it has become clear. . . that the U.S. administration
is trying to fulfill its evil designs by creating chaos in
Nepal. At a time when different countries of the world
including the United Nations and the European Union are
active in establishing peace in Nepal..."
--"The decision taken by the U.S. administration, interfering
with the internal politics of Nepal, is being seen as a plot
not only against Nepal, but also against the neighboring
countries."
--"Political analysts believe that America has the ill
intention of keeping a watch on India and surrounding China
by establishing a military base in Nepal..."

¶3. (C) COMMENT. In this initial reaction to the recent U.S.
announcement of terrorist sanctions against them, the Maoists
are clearly attempting to generate concern in Beijing and in
New Delhi about America's growing influence in Nepal. In
addition, the Maoist statement makes an effort to drive a
wedge between the "evil" U.S. actions in Nepal and the
"peaceful" actions of European donors and the UN. The
explicit denial that the Maoists are planning to "go against"
America suggests that the terrorist designation has served,
so far at least, more as a warning against attacking U.S.
interests than as a provocation. Over the past few weeks,
there appears to be in some of the Maoist leadership's
rhetoric a gradual "walking back" from public threats against
the U.S.

¶4. (C) COMMENT CONTINUED. Despite the Maoists' commitments
in their 21 October and 2 November statements, we have yet to
see any solid, concrete movement away from violence.
Instead, their campaign of violence continues unabated. By
depicting the terrorist designation as a U.S. attempt to
derail putative efforts by the UN to restore peace, the
Maoists are trying to deflect public and international
attention from the real cause of instability in Nepal--their
continued reign of terror in the countryside. END COMMENT.
BOGGS